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IMP2 REACTION: FAR-REACHING DOCUMENT TO BOOST LOCAL MANUFACTURING SECTOR

KUALA LUMPUR, Nov 28 (Bernama) -- The private sector feels that the government has formulated a far-reaching document through the Second Industrial Master Plan (IMP2) which will set the local manufacturing sector on a path towards becoming more efficient, more competitive and better prepared for the global challenge.

They also agreed that the IMP2 was far superior than the initial IMP as the thrust on cluster development provided for backward and forward linkages among the industries.

Encik Paul Low, the newly-elected president of the Federation of Malaysian Manufacturers (FMM), said the latest plan, unlike the first, also emphasised on marketing and distribution besides establishing various work modules towards enhancing manufacturing activity.

"We are very good at manufacturing, particularly the assembly line activity," he said. "But what is missing is the value-added on research and development, innovation and the marketing aspect."

He said the new emphasis through the clusters would make the country possess an integrated approach towards industrial development.

"I think this will give us the right focus and right vision," he said, adding that what the FMM would do next would be to ask its members to provide feedback on the IMP2.

Low said this would be asking members involved in specific clusters to provide inputs on how the IMP2 targets could be achieved efficiently and going into detail how each one of them would serve the purpose of the plan.

"We must remember that this plan has to be private sector-driven and we in the FMM will try to play a significant role in ensuring that the targets are realised," he said.

He added, "We have to do that. With the change in technology, we have to. If we don't, we will not be competitive and lose our markets."

Tunku Imran ibni Tuanku Ja'afar, chief executive of Antah Holdings Bhd, said the IMP2 would enable industries to be more focused.

"When you talk about clusters, it means that all the different components of the industry, including services, will be. It means that the whole industry will be more effective and presumably more competitive globally. That's the name of the game, really," he said.

Tunku Tan Sri Ahmad bin Tunku Yahaya, executive deputy chairman of Sime Darby Bhd said Prime Minister Datuk Seri Dr Mahathir Mohamad had in launching the plan put over the IMP2 concept very clearly.

He added, "He is a great communicator and he made the point very clearly that we have to move away from the phase of labour-intensive industries to high-tech. When the prime minister says it as clearly as that, people take notice of it.

"I think it is very important for people to understand that and also the concept of coming back on the number of illegal and legal immigrant labour that we have in play, that is something that causes a lot of social problems.

Tan Sri Datuk R.V. Navaratnam, Director Asian Strategy & Leadership Institute (ASLI), said the IMP2 was a fitting follow up to the Seventh Malaysia plan.

He added, "Now it getting deeper behind the policies with regard to the industrial sector. It is something which we have been waiting for. The cluster approach will help to generate economies of scale.

"This is because when they cluster together, they can consult each other, communicate with each other, share common facilities and common knowledge interact. They might not have to reinvent the wheel and there will also be greater internal competition within and leads them to be more efficient. Hence, efficiency of the sub-sector will be heightened."

Navaratnam said the IMP2 would prepare Malaysian manufacturers for a new era in the next millennium where Malaysian companies needed to be more globalised, more competitive and more modernised.

The cluster approach would certainly answer the basic need of all economic industrial planning which is to develop economies of scale, he said.

"This would also go a long way in assisting them optimise their efficiencies and become much more efficient and productive," he said.

Science, Technology and Environment Minister Datuk Law Hieng Ding said his ministry would be making some adjustments in its science and technology programmes and policies in order to facilitate the implementation of the IMP2.

He said some adjustments were necessary especially on the research and development (R&D) and high-technology driven industry programmes and policies.

"We will be working hand in hand with other ministries so that the objectives of the second IMP could be achieved earlier than scheduled," he said.

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TEAM MR